



— MORGANTOWN —

Category 4 License Hearing Presentation by the Mountainview Thoroughbred  
Racing Association to the Pennsylvania Gaming Control Board

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PENN NATIONAL  
GAMING, INC.

March 4, 2019

mychoice

HOLLYWOOD

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Lauberge

HOLLYWOOD  
CASINO.COM

MORE CHOICES. BETTER REWARDS.

# INTRODUCTIONS

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- John Finamore, Senior Vice President – Regional Operations
- Chris Rogers, Senior Vice President – Corporate Development
- Dan Ihm, Vice President & General Manager – Hollywood Casino @ Penn National Race Course

# ABOUT PENN NATIONAL GAMING & HOLLYWOOD CASINO AT PENN NATIONAL RACE COURSE

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John Finamore

Senior Vice President – Regional Operations

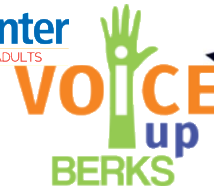
# ABOUT PENN NATIONAL GAMING



- Started in 1972 as a single racetrack outside of Harrisburg, Pennsylvania; headquartered in Wyomissing, PA
- Through steady and disciplined growth, we've become North America's largest regional gaming operator with 41 properties in 18 jurisdictions
- \$5 billion in annual revenues; 30,000+ employees



# SUPPORTING BERKS COUNTY



# OUR CORE VALUES

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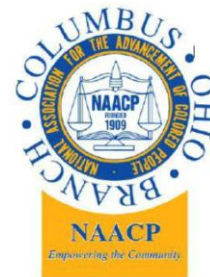
Provide an Unparalleled Guest Experience

Work Happy

Commitment to Diversity

Commitment to Community

Commitment to Responsible Gaming



Corporate Champion of Diversity



NATIONAL CENTER FOR  
RESPONSIBLE GAMING

# HOLLYWOOD CASINO AT PENN NATIONAL RACE COURSE

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- ~\$400 million property opened in 2008
- 907 Team Members
- 2,002 slots & 75 tables games
- Paid \$1.6 billion in taxes and fees;  
\$156 million to Local Share Assessment
- \$338 million in salaries, wages, & benefits
- \$13 million annual local/state vendor spend





# COMMUNITY INVOLVEMENT



- ~\$3.75 million for IBD research @ Milton Hershey Medical Center
- ~\$1.32 million to local and regional charities
- ~\$100,000 to local ACS Relay for Life







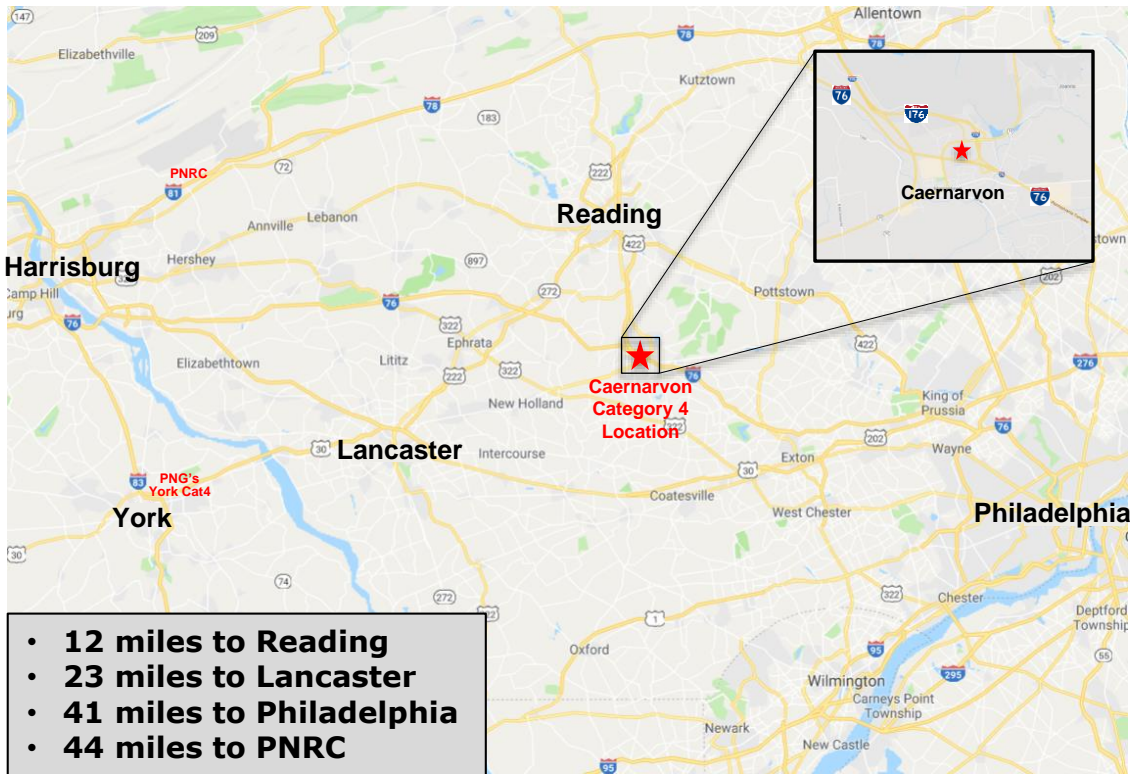
## DEVELOPMENT

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Chris Rogers  
Senior Vice President – Corporate Development

# CATEGORY 4 LICENSE TIMELINE

- Won the fifth auction on April 4, 2018 for \$7.5M
- Selected 15-mile territory centered in West Cocalico Township
- Caernarvon Township
  - “Greenfield” development on an undeveloped improved site
  - Intersection of I-76 and I-176
- Submitted gaming application to PGCB on October 31<sup>st</sup>



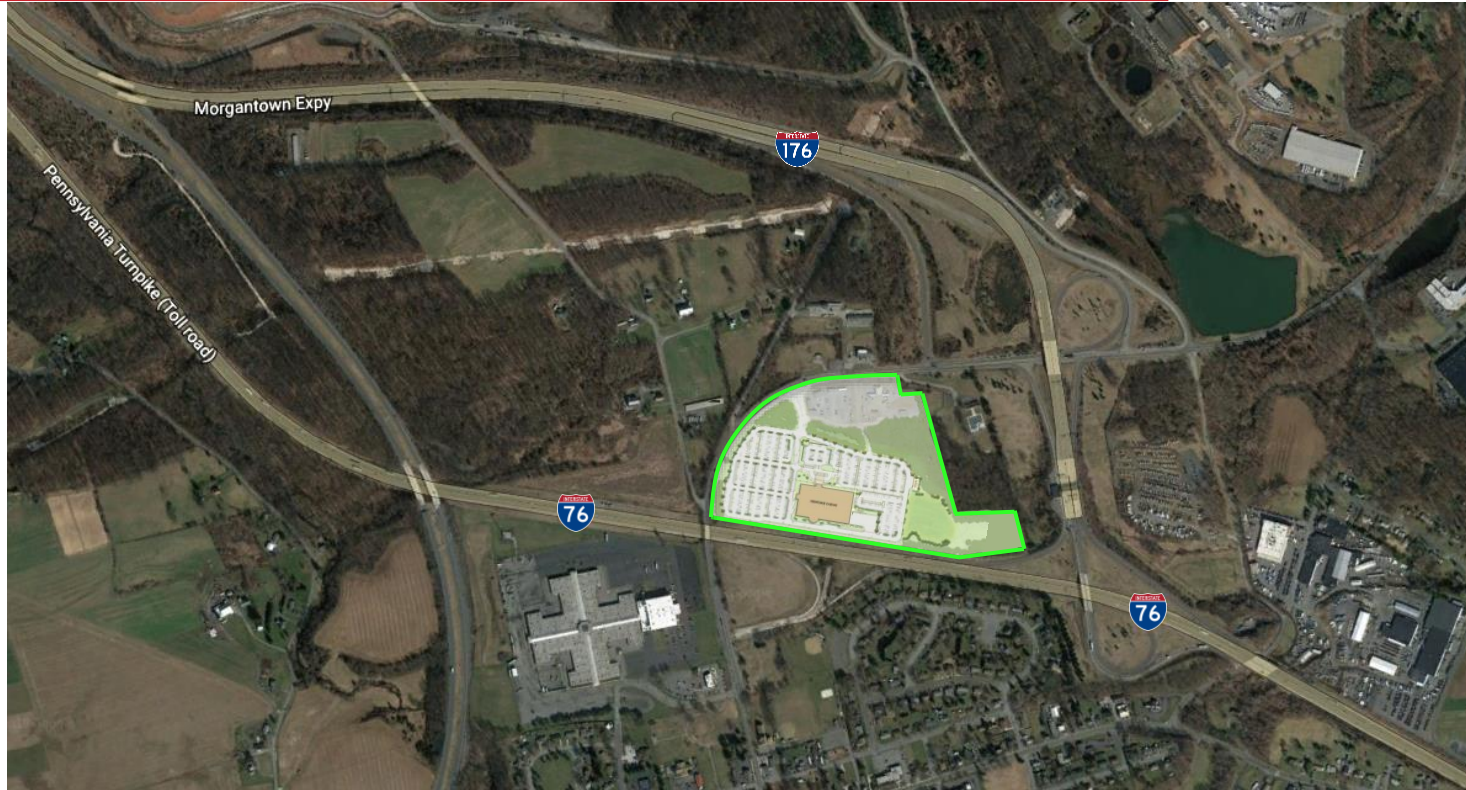
# PROJECT OVERVIEW

- \$111M total budget
  - Inclusive of \$7.5M gaming license fee
- 85,900 SF in a single phase
- 750 slots & 30 tables
  - Expansion capability to 40 tables
- Sports and race book
- Signature restaurant & bar
- Food hall
- Bar and entertainment stage
- Target opening Fall/Winter of 2020





# CAERNARVON (OVERHEAD SHOT)



# SITE PLAN





# FLOOR PLAN

## GAMING COUNT

TABLE GAMES: 30  
SLOTS: 750

## FOOD SERVICE

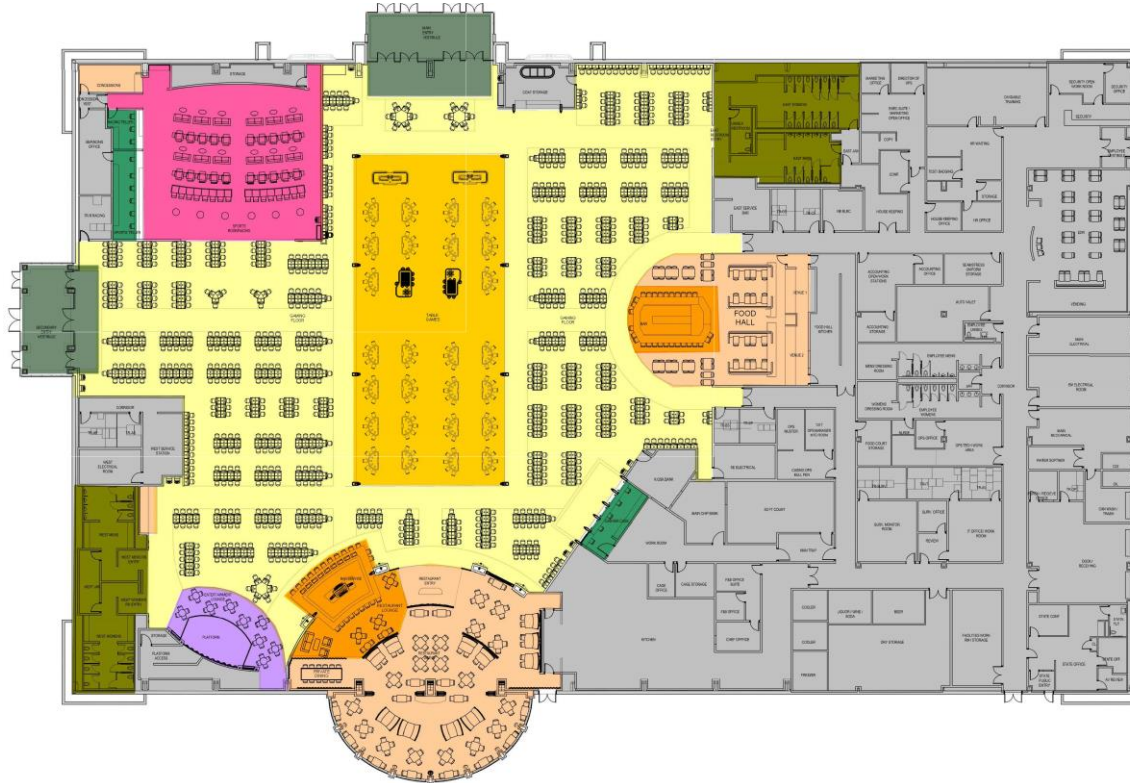
RESTAURANT DINING: 146 SEATS  
PRIVATE DINING: 12 SEATS  
RESTAURANT LOUNGE: 20 SEATS  
RESTAURANT BAR: 9 SEATS

CASINO BAR: 13 SEATS

FOOD HALL DINING: 72 SEATS  
FOOD HALL BAR: 29 SEATS

ENTERTAINMENT LOUNGE: 36 SEATS

TOTAL = 337 SEATS

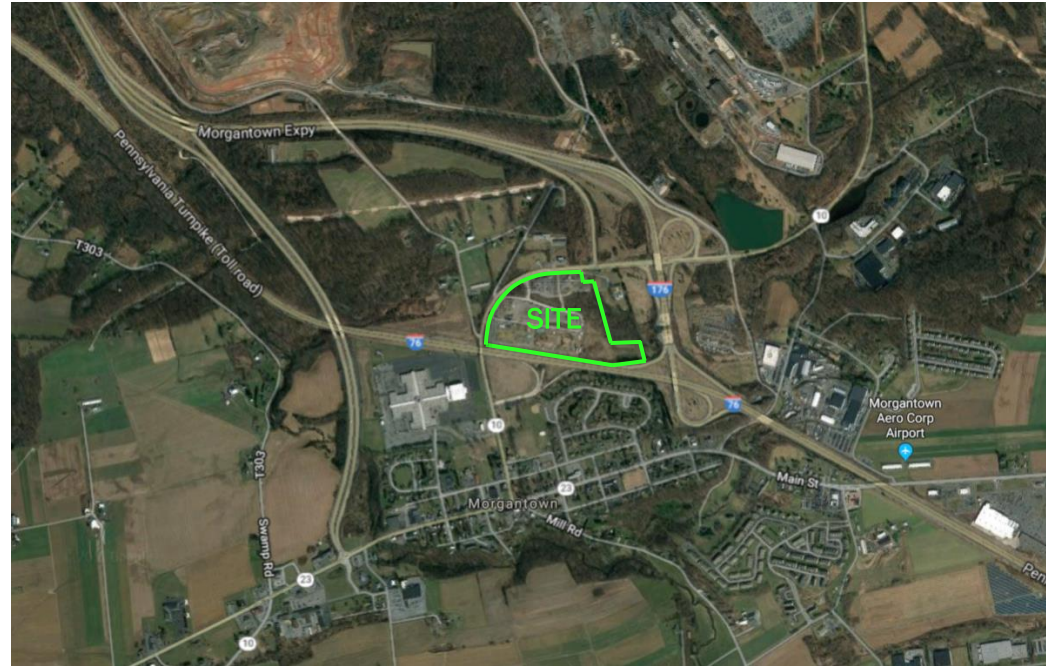


## LEGEND

- CASINO - SLOTS
- CASINO - TABLE GAMES
- CASINO - SPORTS BOOK
- FOH SUPPORT RR
- CASHIER'S CAGE
- FOOD & BEVERAGE
- BAR
- ENTERTAINMENT
- BACK OF HOUSE

# TRANSPORTATION IMPACT ANALYSIS

- Site was initially planned and designed to support a 200,000 square foot, mixed-use, retail development
  - Traffic infrastructure, including turn lanes and driveways, was designed to accommodate this project scale
- Hollywood Casino's development is significantly smaller (85,900 square feet)
- Langan Engineering & Environmental Services analyzed the anticipated casino traffic on 11 nearby intersections
  - Anticipated traffic to Hollywood Casino is much less than to the prior mixed-used development
  - Langan and PennDOT have determined the adjacent road network has sufficient capacity to accommodate the site generated casino trips





- Penn National and its advisors also identified and studied other potential local impacts, including:
  - Street Maintenance
  - Utilities (e.g. water, electric, sewer, etc.), and
  - Public Safety (including police, fire and emergency services)
- In each instance, the impacts of the proposed development were deemed negligible

- ~275 direct construction jobs and \$51.6 million in direct upfront construction expenditures
- One-time direct, indirect and induced positive impacts to the economy include:
  - **Caernarvon** - \$51.6 million, supporting 292 jobs and \$24.1 million in earnings
  - **Berks County** - \$83.2 million, supporting 500 jobs and \$33.7 million in earnings
  - **Pennsylvania** - \$102.5 million, supporting 590 jobs and \$38.7 million in earnings
  - **Other** - \$1.6 million in personal income, sales, and business taxes



**HOLLYWOOD**  
*Casino*<sup>®</sup>

— MORGANTOWN —

# OPERATIONS

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Dan Ihm

Vice President & General Manager

## EXPECTED GAME MIX & AMENITIES

- 750 slot machines: reel & video, various denominations
- 30 table games: variations of blackjack, craps, and roulette
- Pari-mutuel wagering and sports book
- Signature restaurant & bar
- Lounge with small stage
- Food hall



## EMPLOYMENT



- ~250 direct Full Time Equivalent (FTEs) positions
- Benefits
  - 401k
  - Medical
  - Dental
  - Paid Time Off
  - Bonus Programs
  - Tuition Reimbursement
  - Professional Development
  - Free Table Games Dealer Training
- Representative of the Community

STAFFING	
FACILITIES/HOUSEKEEPING	6.7%
FINANCE/CAGE	11.8%
FOOD & BEVERAGE	22.7%
GAMING	42.1%
HR/ADMIN	1.0%
IT	1.0%
MARKETING	1.0%
SECURITY	8.9%
SURVEILLANCE	4.8%

- Training provided upon hire and annually thereafter
- Quarterly roundtable knowledge checks
- Daily pre-shift discussions
- State-of-the-Art ID verification system
- \$95,000 paid to Security Officers—\$100 for 100 Days Program



• • • **KNOW YOUR LIMIT** • • •

### Initial Impact

- **Caernarvon** - \$73.0 million, supporting 276 jobs and \$8.5 million in earnings
- **Berks County** - \$118.8 million, supporting 550 jobs and \$19.8 million in earnings
- **Pennsylvania** - \$140.1 million, supporting 660 jobs and \$25.9 million in earnings
- **Other** - \$1.6 million in personal income, sales, and business taxes

### Upon Stabilization

- **Caernarvon** - \$94.3 million, supporting 311 jobs and \$9.6 million in earnings
- **Berks County** - \$152.4 million, supporting 660 jobs and \$23.9 million in earnings
- **Pennsylvania** - \$179.7 million, supporting 790 jobs and \$31.8 million in earnings
- **Other** - \$1.9 million in personal income, sales, and business taxes





- ~\$1.6 Million annually in new revenues for Caernarvon Township upon stabilization
- Public Safety
  - Police
  - Fire
  - EMS
- Existing Tourism



## SUMMARY

- Penn National is a highly reputable entertainment company that creates and operates high-quality facilities
- Proven record of civic and philanthropic involvement in Berks County
- Significant investment in Caernarvon/Morgantown area
- Creation of approximately 250 permanent jobs & 275 construction jobs
- Negligible impacts and costs
- ~\$1.6 million annually in new tax revenues for Caernarvon



# Thank You

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